

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

BIG LOTS, INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 24-11967 (JKS)

(Jointly Administered)

Objection Deadline:

February 14, 2025, at 4:00 p.m. (ET)

Hearing Date:

February 26, 2025, at 10:30 a.m. (ET)

**COMBINED FOURTH MONTHLY FEE APPLICATION (FOR THE PERIOD
DECEMBER 1, 2024 THROUGH DECEMBER 31, 2024) AND FIRST INTERIM
FEE APPLICATION OF MORRIS, NICHOLS, ARSHT & TUNNELL LLP, AS
BANKRUPTCY CO-COUNSEL FOR THE DEBTORS AND DEBTORS IN
POSSESSION, FOR ALLOWANCE OF COMPENSATION AND FOR
REIMBURSEMENT OF ALL ACTUAL AND NECESSARY EXPENSES
INCURRED FOR THE PERIOD
SEPTEMBER 9, 2024, THROUGH AND INCLUDING DECEMBER 31, 2024**

Name of Professional:	MORRIS, NICHOLS, ARSHT & TUNNELL LLP
Authorized to Provide Professional Services to:	Debtors and Debtors in Possession
Date of Retention:	October 22, 2024, <i>nunc pro tunc</i> to September 9, 2024
Monthly period for which compensation and reimbursement is sought:	December 1, 2024, through December 31, 2024
Amount of monthly compensation sought as actual, reasonable and necessary:	\$358,340.00 (80% of \$447,925.00)

¹ The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors' corporate headquarters is 4900 E. Dublin-Granville Road, Columbus, OH 43081.

Amount of monthly reimbursement
sought as actual, reasonable and
necessary: \$12,810.94

Interim period for which
compensation and
reimbursement is sought: September 9, 2024 through December 31, 2024

Amount of interim compensation
sought as actual, reasonable and
necessary: \$1,976,210.50

Amount of interim reimbursement
sought as actual, reasonable and
necessary: \$97,175.96

This is a x monthly x interim final application

The total time expended for preparation of this fee Application is approximately 15 hours and the corresponding compensation requested is approximately \$13,000.00.²

If this is not the first fee Application filed, disclose the following for each prior fee Application:

DATE FILED	PERIOD COVERED	REQUESTED FEES/EXPENSES	APPROVED FEES/EXPENSES
11/26/24 D.I. 1252	9/9/24-9/30/24	\$478,009.00/\$48,690.26	\$382,407.20/\$48,690.26
12/6/24 D.I. 1318	10/1/24-10/31/24	\$583,013.00/\$17,511.93	\$466,410.40/\$17,511.93
12/19/24 D.I. 1399	11/1/24-11/30/24	\$467,263.50/\$18,162.83	\$373,810.80/\$18,162.83

² With the exception of 1.2 hours billed on December 31, 2024 (accounting for \$762.00), allowance for compensation for such time is not requested in this statement, but may be sought in a subsequent fee application.

MONTHLY COMPENSATION BY PROFESSIONAL**BIG LOTS, INC., et al.
(Case No. 24-11967 (JKS))****December 1, 2024, through December 31, 2024**

Name of Professional	Position of the Applicant, Area of Expertise, Number of Years in that Position, Year of Obtaining License to Practice	Hourly Billing Rate	Total Billed Hours	Total Compensation
Robert J. Dehney	Partner/Bankruptcy. Partner since 1999. Joined firm as an associate in 1996. Member of the DE Bar since 1997.	1,695	27.0	45,765.00
Andrew R. Remming	Partner/Bankruptcy. Partner since 2016. Joined firm as an associate in 2008. Member of the DE Bar since 2008.	1,145	74.9	85,760.50
		572.5 ³	6.6	3,778.50
Matthew B. Harvey	Partner/Bankruptcy. Partner since 2020. Joined firm as associate from 2008 to Sept. 2013; rejoined the firm as an associate in Nov. 2014. Member of the DE Bar since 2008.	1,145	0.5	572.50
Daniel B. Butz	Senior Counsel/Bankruptcy. Joined the firm as an associate in 2002. Member of the DE Bar since 2002.	1,075	122.1	131,257.50
Tamara K. Mann	Special Counsel/Bankruptcy. Joined the firm as an associate in 2011. Member of the DE Bar since 2011.	965	2.3	2,219.50
Sophie Rogers Churchill	Associate/Bankruptcy. Joined the firm as an associate in 2021. Member of the DE Bar since 2022.	635	138.7	88,074.50
Grace E. Venit	Associate/Bankruptcy. Joined the firm as an associate in 2022. Member of the DE Bar since 2022.	595	2.7	1,606.50
Casey B. Sawyer	Associate/Bankruptcy. Joined the firm as an associate in 2023. Member of the DE Bar since 2023.	545	87.6	47,742.00

³ The reduced rate accounts for non-working travel time, which has been billed at half-time in accordance with the U.S. Trustee Guidelines.

Name of Professional	Position of the Applicant, Area of Expertise, Number of Years in that Position, Year of Obtaining License to Practice	Hourly Billing Rate	Total Billed Hours	Total Compensation
Brianna N. V. Turner	Associate/Bankruptcy. Joined the firm as an associate in 2024. Member of the DE Bar since 2024.	545	45.2	24,634.00
Desiree M. Vale	Paralegal	395	6.1	2,409.50
John Lawrence	Paralegal	395	2.8	1,106.00
Rebecca L. Weidman	Paralegal	395	25.0	9,875.00
Valerie Walker	Legal Assistant	355	0.4	142.00
Marie Reed	Legal Assistant	355	8.4	2,982.00
Total		813.97	550.3	\$447,925.00
BLENDED RATE: \$813.97				
ATTORNEY BLENDED RATE: \$849.90				

MONTHLY COMPENSATION BY PROJECT CATEGORY

BIG LOTS, INC., et al.
(Case No. 24-11967 (JKS))

December 1, 2024, through December 31, 2024

Project Category	Total Hours	Total Fees
Case Administration	4.10	1,764.50
Asset Dispositions/363 Sales	130.60	109,955.00
Automatic Stay Matters	7.30	6,051.50
Creditor Communications and Meetings	3.20	2,491.00
Fee Applications (MNAT - Filing)	33.60	22,581.00
Fee Applications (Others - Filing)	15.20	8,614.00
Executory Contracts/Unexpired Leases	68.40	60,465.00
Other Contested Matters	40.70	32,697.50
Non-Working Travel	6.60	3,778.50
Financing Matters/Cash Collateral	6.50	4,792.50
Tax Matters	0.10	114.50
Insurance Matters	0.80	867.00
Reclamation/503(b)(9) Matters	0.40	254.00
Utility Matters	6.10	6,071.50
Vendor/Supplier Matters	17.20	11,197.00
Court Hearings	153.70	132,919.50
Claims Objections and Administration	14.60	12,247.00
Plan and Disclosure Statement	2.10	1,750.50
Litigation/Adversary Proceedings	5.80	5,071.00
Professional Retention (MNAT - Filing)	6.30	3,652.50
Professional Retention (Others - Filing)	6.70	4,416.50
Professional Retention (Others - Objections)	0.20	215.00
General Case Strategy	18.10	15,013.50
Schedules/SOFA/U.S. Trustee Reports	2.00	945.00
TOTAL	550.30	\$447,925.00

MONTHLY EXPENSE SUMMARY

BIG LOTS, INC., et al.
(Case No. 24-11967 (JKS))

December 1, 2024, through December 31, 2024

Expense Category	Total Expenses
In-House Printing - black & white	2,671.60
Pacer	401.70
In-House Printing - color	3,224.00
Computer Research - Westlaw	3,503.90
Messenger Service	10.00
Courier/Delivery Service	1,008.15
Transcripts	517.45
Meals	1,189.12
Support Staff Overtime	285.02
Grand Total Expenses	\$12,810.94

INTERIM SUMMARY
BIG LOTS, INC., et al.
(Case No. 24-11967 (JKS))

September 9, 2024, through December 31, 2024

Fee Application Filing Date, Docket No.	Period Covered By Application	Total Fees Requested	Total Expenses Requested	Certification of No Objection, Filing Date, Docket No.	Amount of Fees Allowed (80%)	Amount of Expenses Allowed (100%)	Amount of Holdback Fees Sought
11/26/2024 D.I. 1252	9/9/24-9/30/24	\$478,009.00	\$48,690.26	12/18/2024 D.I. 1388	\$382,407.20	\$48,690.26	\$95,601.80
12/6/2024 D.I. 1318	10/1/24-10/31/24	\$583,013.00	\$17,511.93	12/28/2024 D.I. 1465	\$466,410.40	\$17,511.93	\$116,602.60
12/19/2024 D.I. 1399	11/1/24-11/30/24	\$467,263.50	\$18,162.83	1/10/2025 D.I. 1686	\$373,810.80	\$18,162.83	\$93,452.70
N/A	12/1/24-12/31/24	\$447,925.00	\$12,810.94	Pending	N/A	N/A	\$460,735.94
TOTAL		\$1,976,210.50	\$97,175.96		\$1,222,628.40	\$84,365.02	\$766,393.04

INTERIM COMPENSATION BY PROFESSIONAL**BIG LOTS, INC., *et al.*
(Case No. 24-11967 (JKS))****September 9, 2024 through December 31, 2024**

Name of Professional	Position of the Applicant, Area of Expertise, Number of Years in that Position, Year of Obtaining License to Practice	Hourly Billing Rate	Total Billed Hours	Total Compensation
Robert J. Dehney	Partner/Bankruptcy. Partner since 1999. Joined firm as an associate in 1996. Member of the DE Bar since 1997.	1,695	71.7	121,531.50
Donna Culver	Partner/Bankruptcy. Partner since 1999. Joined firm as an associate in 1991. Member of the DE Bar since 1991.	1,175	8.0	9,400.00
Andrew R. Remming	Partner/Bankruptcy. Partner since 2016. Joined firm as an associate in 2008. Member of the DE Bar since 2008.	1,145	313.3	358,728.50
		572.5 ⁴	6.6	3,778.50
Matthew B. Harvey	Partner/Bankruptcy. Partner since 2020. Joined firm as associate from 2008 to Sept. 2013; rejoined the firm as an associate in Nov. 2014. Member of the DE Bar since 2008.	1,145	1.1	1,259.50
Daniel B. Butz	Senior Counsel/Bankruptcy. Joined the firm as an associate in 2002. Member of the DE Bar since 2002.	1,075	499.6	537,070.00
Tamara K. Mann	Special Counsel/Bankruptcy. Joined the firm as an associate in 2011. Member of the DE Bar since 2011.	965	76.5	73,822.50
Matthew O. Talmo	Associate/Bankruptcy. Joined the firm as an associate in 2016. Member of the DE Bar since 2016.	810	0.3	243.00
Sophie Rogers Churchill	Associate/Bankruptcy. Joined the firm as an associate in 2021. Member of the DE Bar since 2022.	635	552.6	350,901.00

⁴ The reduced rate accounts for non-working travel time, which has been billed at half-time in accordance with the U.S. Trustee Guidelines.

Name of Professional	Position of the Applicant, Area of Expertise, Number of Years in that Position, Year of Obtaining License to Practice	Hourly Billing Rate	Total Billed Hours	Total Compensation
Grace E. Venit	Associate/Bankruptcy. Joined the firm as an associate in 2022. Member of the DE Bar since 2022.	595	54.6	32,487.00
Echo Qian	Associate/Bankruptcy. Joined the firm as an associate in 2023. Member of the DE Bar since 2023.	595	3.1	1,844.50
Austin Park	Associate/Bankruptcy. Joined the firm as an associate in 2023. Member of the DE Bar since 2023.	545	12.5	6,812.50
Casey B. Sawyer	Associate/Bankruptcy. Joined the firm as an associate in 2023. Member of the DE Bar since 2023.	545	515.2	280,784.00
Brianna N. V. Turner	Associate/Bankruptcy. Joined the firm as an associate in 2024. Member of the DE Bar since 2024.	545	210.1	114,504.50
J. Luke Brzozowski	Associate/Bankruptcy. Joined the firm as an associate in 2024. Member of the DE Bar since 2024.	545	0.5	272.50
Byron Poland	Litigation Support	395	1.1	434.50
Desiree M. Vale	Paralegal	395	10.4	4,108.00
John Lawrence	Paralegal	395	3.5	1,382.50
Rebecca L. Weidman	Paralegal	395	156.8	61,936.00
Valerie Walker	Legal Assistant	355	0.9	319.50
Marie Reed	Legal Assistant	355	41.1	14,590.50
Total		778.19	2,539.5	1,976,210.50
BLENDED RATE: \$778.19				
ATTORNEY BLENDED RATE: \$814.14				

INTERIM COMPENSATION BY PROJECT CATEGORY

BIG LOTS, INC., *et al.*
(Case No. 24-11967 (JKS))

September 9, 2024 through December 31, 2024

Project Category	Total Hours	Total Fees
Case Administration	13.9	6,563.50
Asset Dispositions/363 Sales	531.7	434,960.50
Automatic Stay Matters	31.8	25,246.00
Creditor Communications and Meetings	37.0	28,358.00
Fee Applications (MNAT - Filing)	57.8	37,137.00
Fee Applications (Others - Filing)	24.4	13,822.00
Executory Contracts/Unexpired Leases	323.8	274,294.50
Other Contested Matters	220.1	184,514.50
Non-Working Travel	6.6	3,778.50
Governmental/Regulatory Matters	1.0	863.00
Employee Matters	16.2	14,464.00
Financing Matters/Cash Collateral	45.5	39,824.50
Tax Matters	7.5	6,363.50
Real Estate Matters	1.0	704.00
Insurance Matters	7.6	6,480.00
Reclamation/503(b)(9) Matters	1.9	1,511.50
Utility Matters	51.6	43,507.00
Vendor/Supplier Matters	52.9	41,690.50
Court Hearings	622.2	469,336.00
Claims Objections and Administration	40.8	34,310.00
Plan and Disclosure Statement	9.6	6,761.00
Litigation/Adversary Proceedings	6.8	6,123.00
Professional Retention (MNAT - Filing)	42.0	25,181.00
Professional Retention (MNAT - Objections)	1.3	789.50
Professional Retention (Others - Filing)	143.2	93,014.00

Project Category	Total Hours	Total Fees
Professional Retention (Others - Objections)	8.9	7,033.50
General Corporate Matters (including Corporate Governance)	2.4	2,029.00
General Case Strategy	128.1	94,411.50
Schedules/SOFA/U.S. Trustee Reports	101.9	73,139.50
TOTAL	2,539.5	\$1,976,210.50

INTERIM EXPENSE SUMMARY

BIG LOTS, INC., *et al.*
(Case No. 24-11967 (JKS))

September 9, 2024 through December 31, 2024

Expense Category	Total Expenses
Pacer	2,271.90
In-House Printing - black & white	10,010.50
In-House Printing - color	13,918.40
In-House Duplicating	67.16
In-House Duplicating - color	199.32
Computer Research - Westlaw	5,421.80
Photos/Art/Spec Duplicating-Out of Office	6,020.58
Meals	4,388.07
Courier/Delivery Service	4,063.76
Transcripts	12,448.47
Supplemental Tech Trial Support Services	345.73
Use of Facilities/Equipment	3,250.00
Court Costs	34,003.00
Conference Calls	22.74
Support Staff Overtime	656.18
Secretarial Overtime	48.35
Messenger Service	30.00
Miscellaneous	10.00
Grand Total Expenses	97,175.96

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

BIG LOTS, INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 24-11967 (JKS)

(Jointly Administered)

Objection Deadline:

February 14, 2025, at 4:00 p.m. (ET)

Hearing Date:

February 26, 2025, at 10:30 a.m. (ET)

**COMBINED FOURTH MONTHLY FEE APPLICATION (FOR THE PERIOD
DECEMBER 1, 2024 THROUGH DECEMBER 31, 2024) AND FIRST INTERIM
FEE APPLICATION OF MORRIS, NICHOLS, ARSHT & TUNNELL LLP, AS
BANKRUPTCY CO-COUNSEL FOR THE DEBTORS AND DEBTORS IN
POSSESSION, FOR ALLOWANCE OF COMPENSATION AND FOR
REIMBURSEMENT OF ALL ACTUAL AND NECESSARY EXPENSES
INCURRED FOR THE PERIOD
SEPTEMBER 9, 2024, THROUGH AND INCLUDING DECEMBER 31, 2024**

Morris, Nichols, Arsht & Tunnell LLP (“Morris Nichols”), as bankruptcy co-counsel for the debtors and debtors in possession in the above-captioned cases (the “Debtors”), submits this fee application (the “Fee Application”) for (i) allowance of compensation for professional services rendered by Morris Nichols to the Debtors for the period of December 1, 2024 through December 31, 2024 (the “Monthly Application Period”); (ii) reimbursement of actual and necessary expenses incurred by Morris Nichols during the Monthly Application Period in rendering professional services on behalf of the Debtors; (iii) interim allowance of reasonable

¹ The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors’ corporate headquarters is 4900 E. Dublin-Granville Road, Columbus, OH 43081.

compensation for professional services rendered by Morris Nichols to the Debtors for the period September 9, 2024 through December 31, 2024 (the “Interim Application Period”); and (iv) interim reimbursement of actual and necessary expenses and disbursements incurred by Morris Nichols in rendering professional services on behalf of the Debtors during the Interim Application Period, pursuant to sections 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), the United States Trustee’s Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases, effective November 1, 2013 (the “U.S. Trustee Guidelines”) and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Retained Professionals* (D.I. 519) (the “Interim Compensation Procedures Order”).² In support of this Fee Application, Morris Nichols represents as follows:

JURISDICTION

1. This Court has jurisdiction over this Fee Application pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief requested herein are sections 330 and 331 of the Bankruptcy Code, as supplemented by Bankruptcy Rule 2016, Local Rule 2016-2, the U.S. Trustee Guidelines, and the Interim Compensation Procedures Order.

² Capitalized terms used but not defined herein are defined in the Interim Compensation Procedures Order.

BACKGROUND

3. On September 9, 2024 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code thereby commencing these chapter 11 cases. The Debtors continue to operate their businesses as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. On September 23, 2024, the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed an Official Committee of Unsecured Creditors (the “Creditors’ Committee”).

MORRIS NICHOLS’S RETENTION

5. Prior to the commencement of these chapter 11 cases, the Debtors retained Morris Nichols to provide advice regarding, among other things, preparing for, commencing, and prosecuting these cases under chapter 11 of the Bankruptcy Code. On September 18, 2024, the Debtors filed the *Debtors’ Application for Entry of an Order Authorizing Retention and Employment of Morris, Nichols, Arsht & Tunnell LLP as Bankruptcy Co-Counsel for the Debtors Nunc Pro Tunc to the Petition Date* (D.I. 211) (the “Morris Nichols Retention Application”).

6. On October 22, 2024, this Court granted the Morris Nichols Retention Application pursuant to the *Order Authorizing the Retention and Employment of Morris, Nichols, Arsht & Tunnell LLP as Bankruptcy Co-Counsel for the Debtors Nunc Pro Tunc to the Petition Date* (D.I. 587) (the “Morris Nichols Retention Order”).

INTERIM COMPENSATION PROCEDURES ORDER

7. The Court entered the Interim Compensation Procedures Order on October 17, 2024. The Interim Compensation Procedures Order sets forth the procedures for interim compensation and reimbursement of expenses for all retained Professionals in these cases.

8. In particular, the Interim Compensation Procedures Order provides that

Professionals may file and serve a Monthly Fee Application following the month or months for which compensation is sought, for interim approval and allowance of compensation for services rendered and reimbursement of expenses incurred during the immediately preceding month. Parties in interest will have 21 days (or the next business day if such day is not a business day) after the filing of a Monthly Fee Application (the “Objection Deadline”) to object to the requested compensation for services rendered and reimbursement of expenses incurred. Provided that there are no objections to such Monthly Fee Application filed before the expiration of the Objection Deadline, the Professional may file a certificate of no objection (the “Certificate of No Objection”) with the Court.

9. Upon the filing of a Certificate of No Objection, the Debtors are authorized to pay such Professional 80 percent of the fees and 100 percent of the expenses requested in such Monthly Fee Application.

RELIEF REQUESTED

10. Morris Nichols submits this Fee Application for (i) monthly and interim allowance of reasonable compensation for the actual, reasonable, and necessary professional services that it has rendered as co-counsel for the Debtors in these cases during the Monthly and Interim Application Periods and (ii) monthly and interim reimbursement of actual, reasonable, and necessary expenses incurred by Morris Nichols in representing the Debtors during the Monthly and Interim Application Periods.

MONTHLY APPLICATION PERIOD

11. During the Monthly Application Period, Morris Nichols incurred fees in the amount of \$447,925.00. For the same period, Morris Nichols incurred actual, reasonable, and necessary expenses totaling \$12,810.94. As of the date of this Fee Application, Morris Nichols has received no payments with respect to these amounts.

12. Set forth on the foregoing “Compensation by Project Category” is a summary, by subject matter category, of the time expended by Morris Nichols’s timekeepers billing time to the Debtors’ cases during the Application Period.

13. **Exhibit A** attached hereto contains logs, sorted by case project category, which show the time recorded by professionals, paraprofessionals, and other support staff, as well as descriptions of the services provided.

14. **Exhibit B** attached hereto contains a breakdown of actual, reasonable, and necessary expenses incurred by Morris Nichols during the Application Period.

INTERIM APPLICATION PERIOD

15. During the Interim Application Period, Morris Nichols (i) provided professional services to the Debtors and incurred actual, reasonable, and necessary fees in the amount of \$1,976,210.50, and (ii) incurred actual, reasonable, and necessary expenses totaling \$97,175.96.

16. **Exhibits C and D** attached hereto, contain certain schedules pursuant to the Appendix B Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses as per the U.S. Trustee Guidelines.

17. No agreement or understanding exists between Morris Nichols and any other person for the sharing of compensation received or to be received for services rendered in or in connection with these cases.

18. The undersigned has reviewed the requirements of Local Rule 2016-2 and certifies to the best of his or her information, knowledge, and belief that this Fee Application complies with that Rule.

INFORMATION RELATED TO THE REVISED U.S. TRUSTEE GUIDELINES

19. Morris Nichols provides the following information pursuant to the U.S. Trustee Guidelines.

20. Morris Nichols's hourly rates for bankruptcy services are comparable to the hourly rates charged in complex chapter 11 cases by comparably skilled bankruptcy attorneys. In addition, Morris Nichols' hourly rates for bankruptcy services are comparable to the rates charged by Morris Nichols, and by comparably skilled practitioners in other firms, for complex corporate and litigation matters, whether in court or otherwise, regardless of whether a fee application is required.

21. The blended hourly rate for all Morris Nichols timekeepers who worked on these cases is approximately the same as the firm's blended rate for all timekeepers over a Comparable Period (defined below). In particular, the blended hourly rate for all Morris Nichols timekeepers (including both professionals and paraprofessionals) who billed to matters excluding chapter 11 representations (collectively, the "Non-Chapter 11 Matters") during the period beginning September 9, 2024 and ending on December 31, 2024 (the "Comparable Period") was, in the aggregate, approximately \$819.03. By comparison, the blended hourly rate for all Morris Nichols timekeepers (including both professionals and paraprofessionals) who worked on this case during the Interim Application Period was, in the aggregate, \$778.19.

22. The following table shows blended hourly rates by category of professional and paraprofessional (rounded to the nearest dollar) in the Application and in comparison to the blended hourly rate for Morris Nichols' non-Chapter 11 matters:

Position at Morris Nichols	Blended Hourly Rate for Interim Application Period	Blended Hourly Rate Non-Chapter 11 Matters
Partner	\$1,234	\$1,071
Senior Counsel	\$1,075	\$1,044
Special Counsel	\$965	\$810
Associate	\$584	\$610
Paraprofessionals	\$387	\$332

23. In addition, Morris Nichols provides the following responses to the inquiries stated in section C.5 of the Revised U.S. Trustee Guidelines:

- a. Did you agree to any variations from, or alternatives to, your standard or customary billing rates, fees or terms for services pertaining to this engagement that were provided during the application period? If so, please explain. **No.**
- b. If the fees sought in this fee application as compared to the fees budgeted for the time period covered by this fee application are higher by 10% or more, did you discuss the reasons for the variation with the client? **Not Applicable.**
- c. Have any of the professionals included in this fee application varied their hourly rate based on the geographic location of the bankruptcy case? **No.**
- d. Does the fee application include time or fees related to reviewing or revising time records or preparing, reviewing, or revising invoices? (This is limited to work involved in preparing and editing billing records that would not be compensable outside of bankruptcy and does not include reasonable fees for preparing a fee application.). If so, please quantify by hours and fees. **No. Morris Nichols reserves the right to seek such fees in subsequent applications.**
- e. Does this fee application include time or fees for reviewing time records to redact any privileged or other confidential information? If so, please quantify by hours and fees. **Morris Nichols spent 6.8 hours reviewing time records to redact privileged or other confidential information, for a total of \$4,318.00 in fees.**
- f. If the fee application includes any rate increases since retention: (i) Did your client review and approve those rate increases in advance? and (ii) Did your client agree when retaining the law firm to accept all future rate increases? If not, did you inform your client that they need not agree to modified rates or terms in order to have you continue the representation, consistent with ABA Formal Ethics Opinion 11-458? **Not Applicable. The Fee Application does not include any rate increases since retention.**

WHEREFORE, Morris Nichols respectfully requests that this Court (a) allow Morris Nichols (i) monthly compensation in the amount of \$447,925.00 for actual, reasonable, and necessary professional services rendered on behalf of the Debtors during the Monthly Application Period; and (ii) monthly reimbursement in the amount of \$12,810.94 for actual, reasonable, and necessary expenses incurred during the Monthly Application Period; and (b) allow Morris Nichols (i) interim compensation in the amount of \$1,976,210.50 for actual, reasonable, and necessary services rendered to or on behalf of the Debtors during the Interim Application Period, (ii) interim reimbursement of \$97,175.96 for actual, reasonable, and necessary expenses incurred during the Interim Application Period, (c) authorize and direct the Debtors to pay Morris Nichols an amount equal to the sum of such allowed compensation and reimbursement, less any amounts previously paid by the Debtors; and (iii) grant such other further relief as the Court deems just and proper.

Dated: January 24, 2025
Wilmington, Delaware

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

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